

Comment on the report

"Transnational Corporations and Free Trade in Mexico - Caravan on Socio-environmental Impacts"

Thank you for the opportunity to comment. We would like to share the following:

Regarding the Atoyac-Zahuapan basin (p. 73 of the publication): We confirm that we have a site in Puebla. This site has state-of-the-art technology, designed to achieve the highest standards in automation and monitoring equipment. Being aware of health and environmental challenges in the region, we operate our own wastewater treatment plant, ensuring due care. No cadmium, mercury or benzene are used in our processes. In the case of volatile organic compounds, we monitor the discharges and stay far below the limits provided by the authorities, in full compliance with our discharge title. Measurements are carried out by the external laboratory Intertek ABC analytic which has EMA's accreditation (Mexican Accreditation Entity). Its personnel report the measurement results directly to the CONAGUA's official platform called SIRALAB. Beyond this certified federal SIRALAB monitoring of water discharges to the Atoyac River, we are certified as "Industria Limpia" by SEMARNAT.

Regarding the profile about BASF (p. 73-74 of the publication):

- BASF has reviewed the role of the company / IG Farben as provider of Zyklon B during the Nazi regime, recently also with an [exposition](#) in our visitor center. Please read our dedicated [website](#) for more information.
- We have responded to Goliathwatch's questions regarding environmental pollution in the Atoyac-Zahuapan basin in July 2020.
- BASF advocates across a broad range of issues which are related to our company. As part of our dialog, we regularly interact with government departments, members of parliament, NGOs and other stakeholders in many of the countries where we do business. We are involved in numerous industry associations all over the world. Our interaction with politicians is based on evidence and scientific facts. We are open for dialog with all stakeholders. Our positions can be found on our website [Issues and Positions \(basf.com\)](#). BASF welcomes temporary staff exchange and staff transfer with political organizations, institutions or public administrations to foster a better understanding of specific structures and processes between the private and public sector. We are transparent on any staff exchange on our website [Revolving Door \(basf.com\)](#). We only engage if there are no conflicts of interest and if transparency is ensured. We have not engaged in any such exchange or transfer since 2016.

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- As for Human Rights commitments, the UN Global Compact is one of our oldest commitments. We commit to many other internationally renowned Human rights standards including:
 - United Nations' (UN) Universal Declaration of Human Rights
 - International Covenant on Civil and Political Rights
 - International Covenant on Economic, Social and Cultural Rights
 - International Labour Organization' (ILO) Declaration on Fundamental Principles and Rights at Work
 - ILO Tripartite Declaration of Principles concerning Multinational Enterprises
 - the Ten Principles of the UN Global Compact
 - UN Guiding Principles on Business and Human Rights
 - Organisation for Economic Co-operation and Development' (OECD) Guidelines for Multinational Enterprises, and – the Responsible Care Global Charter of the chemical industry.

Our BASF Group's Position on Human Rights confirms these commitments. In this document we also commit to fostering respect for human rights in relationships with our business partners along the value chain. You can find the BASF Group's Position on Human Rights and more information on our Human rights approach on our [website](#).

- BASF is a founding member of the UN Global Compact and a Global Compact LEAD member. BASF SE membership represents the whole BASF-Group, which includes BASF subsidiaries such as BASF Mexico. We continue to be active members of the UN Global Compact, both at global level and additionally in currently more than 10 local networks worldwide.
- Concerning the serious incidents in Marikana in 2012, we continue to be engaged regarding sustainability topics with Sibanye-Stillwater, the corporation that acquired Lonmin. Sibanye-Stillwater agreed to undergo a full audit in January 2020. Since then, all audit findings have been addressed through a Corrective Action Plan with recommendations and timelines for completion per topic. We continue stakeholder dialogs, e.g. with Bread for the World, Amnesty International, the Center for Applied Legal Studies (CALs), the Bench Marks Foundation and with Reverend Joseph Seoka, the retired South African Anglican bishop, as well as other members of the Plough Back the Fruits Initiative to achieve a constructive approach defining success factors to foster systemic action for change.

Backed by credible and reliable human rights expertise, we are convinced that we adhere to our human rights due diligence obligations. This does not naturally lead to tangible systemic change in the mining communities. Reasons for these conditions are of complex structural nature and go beyond the capacity and influence of a single mine or a buyer. In 2018, with other fabricators, we initiated an industry initiative called International Platinum Group Metals Association (IPA) where we agreed to a sustainability initiative to improve living and working conditions of people in communities around mining operations. BASF focuses on sparking and creating long-term sustainable state and industry action, mainly through this IPA initiative.

You can find more of our statements concerning the Marikana incident on our [website](#) and more information on Sustainability in our Procurement [here](#).